

Interim report January – September 2020

- Order intake MSEK 82.4 (102.0)
- Net sales MSEK 81.8 (108.2)
- Operating profit MSEK 2.5 (10.7)
- Profit after taxes MSEK 1.9 (8.7)

CEO comments

The package of measures that we introduced during the second quarter to ensure the stability of our operations through the pandemic continues to yield good results. We are using video conference and other digital tools to conduct efficient meetings, internally as well as with customers and suppliers. The current and possibly extended future travel restrictions in our target markets make prospecting challenging, however. To resolve this, we have launched a considerable effort towards digital marketing in order to reach new customers.

The order intake of MSEK 24 and invoicing of MSEK 25 for the quarter is lower than for the previous quarter (MSEK 29 and 30 respectively), mostly due to the impact of the holiday season in the third quarter. We have, however, seen a gradually increased level of activity among many of our customers, and during October, we booked a large order worth MSEK 7.8 from a global beverage manufacturer in California, USA. The customer, which has worked with JLT since 2003, chose our products on the basis of leading performance and ease of installation. The entire order is planned for delivery during the fourth quarter (see press release of October 15).

During the quarter, JLT expanded its presence in the hot Android segment by launching two new products: VM3010A – a rugged vehicle-mounted computer with a 10 inch display, developed for use in cramped vehicle cabins – and MT3007A for the U.S. Market – a rugged but lightweight, portable, 7 inch tablet for maintenance and warehouse workers that need to stay productive on the go.

With a positive result for the period and a strong financial position, we continue to pursue our strategic development projects and increase our marketing efforts. This will give us the conditions to grow, despite the present state of affairs, and to accelerate further when the market conditions give us the opportunity.

Per Holmberg, CEO

The Group's net sales and result for the period January to September 2020

For the period, the Group reported net sales amounting to MSEK 81.8 (108.2). The gross profit amounted to MSEK 36.2 (47.9) and the gross margin to 44.2 percent (44.2).

Operating expenses totaled MSEK 32.5 (35.5), of which other costs accounted for MSEK 9.7 (12.2). Personnel costs totaled MSEK 22.8 (23.4).

EBITDA for the period amounted to MSEK 3.7 (12.3).

Depreciation/amortization amounted to MSEK 1.1 (1.6) for the period, of which development expenditures were MSEK 0.9 (0.9) and goodwill MSEK 0.0 (0.4).

The Group's operating profit amounted to MSEK 2.5 (10.7).

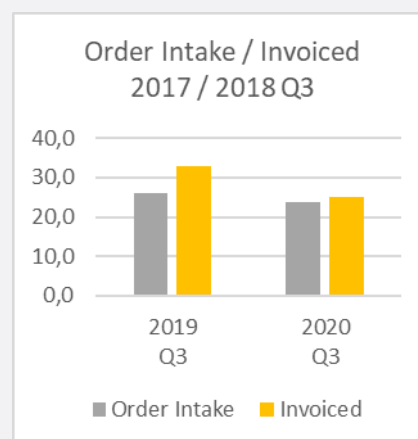
The net financial result amounted to MSEK -0.3 (0.3), leading to an MSEK 2.2 (11.1) profit before tax.

Fixed taxes for the Group totaling MSEK 0.4 (2.4) led to a profit after tax of MSEK 1.9 (8.7).

During the period, development costs totaling MSEK 1.8 (0.0) were capitalized, MSEK 0.5 (0.0) of which internally generated.

Order intake during the period amounted to MSEK 82.4 (102.0), and the order backlog at the end of the period amounted to MSEK 12.5 (17.0).

Prepaid service agreements recognized as liability totaled MSEK 16.5 (16.8).



Income statement, MSEK	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	Year 2019
Net sales	24.9	32.8	81.8	108.2	141.7
Gross profit	10.8	14.6	36.2	47.9	65.3
- <i>Gross margin</i>	43.3%	44.5%	44.2%	44.2%	46.1%
Sales and marketing costs	-4.7	-6.0	-17.0	-17.9	-23.9
Organizational costs and R&D	-4.1	-5.7	-15.5	-17.6	-25.5
EBITDA	2.0	2.9	3.7	12.3	16.0
- <i>EBITDA margin</i>	8.1%	8.9%	4.5%	11.4%	11.3%
Depreciation	-0.4	-0.5	-1.1	-1.6	-2.3
Of which:					
- <i>Tangible fixed assets</i>	-0.1	-0.1	-0.2	-0.2	-0.3
- <i>Development costs</i>	-0.3	-0.3	-0.9	-0.9	-1.2
- <i>Goodwill</i>	0.0	-0.2	0.0	-0.4	-0.8
Operating profit	1.7	2.4	2.5	10.7	13.6
- <i>Operating margin</i>	6.6%	7.2%	3.1%	9.9%	9.6%

Comments on the result for the third quarter

Gross margin for the third quarter was 43.3 (44.5) percent. The quarter-to-quarter difference is mainly attributable to the product mix of individual business deals.

The Company's overhead increased during the first quarter, in part due to currency effects but primarily due to an expansion of sales and marketing resources in an effort to promote growth. As the COVID-19 impact became apparent during the first quarter, most of these measures were withdrawn and staff reductions were implemented, which had effect as from the latter part of the period.

The company's goodwill stems from the acquisition of the US operations in 2014 and is fully amortized.

Order intake during the third quarter amounted to MSEK 24.4 (26.0).

Financial position and cash flow

Cash flow amounted to MSEK 2.7 (10.2). The Group's cash and cash equivalents amounted to MSEK 50.6 (54.1) on the balance sheet date.

The solidity was 60 (56) percent, and the equity amounted to MSEK 60.2 (56.7).

As from the second quarter of 2017, parts of the cash and cash equivalents are under discretionary management, according to a stated investment policy with a maximum of 20 percent in shares or share-based investments. The amount held is determined by the current cash requirement.

There are no interest-bearing liabilities.

Parent Company

The parent company performs services for the subsidiary, and pass on the expenses. The operating result amounted to MSEK -2.8 (-2.5).

Accounting policies

The interim financial report is prepared in accordance with the Swedish Accounting Standards Board's general recommendations for voluntary interim reporting (BFNAR 2007:1). As of 2014, JLT is applying the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3).

This report has not been reviewed by the company's auditors.

The share

In total, 4.6 million shares (6.5) have been traded during the year, corresponding to 16 percent of the total number of shares outstanding.

The share price was SEK 7.18 at the beginning of the period and SEK 4.97 at the end of the period.

The JLT share is listed on Nasdaq First North Growth Market, with Eminova Fondkommission AB as the company's Certified Advisor.

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Report dates 2020

Year-end Report 2020

February 10, 2021

Växjö, October 23, 2020

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This information is information that JLT Mobile Computers AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on Friday, October 23, 2020.

The Group's accounts*

Income statement, MSEK	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	Year 2019
Total operating income	24.9	32.8	81.8	108.2	141.7
Operating costs					
Goods for resale	-14.2	-18.2	-45.7	-60.4	-76.4
Other external charges	-2.5	-4.1	-9.7	-12.2	-18.0
Personnel costs	-6.3	-7.6	-22.8	-23.4	-31.3
Depreciation	-0.4	-0.5	-1.1	-1.6	-2.3
Operating profit	1.7	2.4	2.5	10.7	13.6
Net financial result	0.1	0.0	-0.3	0.3	0.2
Profit after financial items	1.8	2.4	2.2	11.1	13.9
Taxes	-0.3	-0.5	-0.4	-2.4	-3.0
Profit/loss for the period	1.5	1.9	1.9	8.7	10.9
Earnings per share (SEK)	0.05	0.07	0.07	0.30	0.38
Diluted earnings per share (SEK)	0.05	0.06	0.06	0.29	0.37
			2020	2019	2019
Balance sheet, MSEK			30 Sep	30 Sep	31 Dec
Assets					
Intangible fixed assets			3.5	3.2	2.6
Tangible fixed assets			0.5	0.3	0.6
Financial fixed assets			0.2	0.2	0.1
Total fixed assets			4.1	3.8	3.3
Inventories			19.1	16.2	19.3
Current receivables			26.0	26.9	26.2
Cash, cash equivalents and financial investments			50.6	54.1	47.9
Total current assets			95.6	97.2	93.4
Total assets			99.7	100.9	96.7
Equity, provisions and liabilities					
Share capital			28.6	28.6	28.6
Restricted equity			6.8	6.1	5.9
Retained result			24.8	22.0	24.2
Total equity			60.2	56.7	58.6
Provisions			1.9	1.7	2.0
Current liabilities			37.7	42.5	36.0
Total equity, provisions and liabilities			99.7	100.9	96.7

* Mathematical round-off

Cash flow statement, MSEK	Q1-Q3 2020	Q1-Q3 2019	Year 2019
Cash flow from operating activities before change in working capital	-0.7	11.7	12.6
Change in working capital	5.2	4.8	-2.8
Operating activities	4.5	16.5	9.7
Investing activities less short-term deposits	-1.8	-0.1	0.1
Financing activities	0.0	-6.3	-6.3
Cash flow for the year less short-term deposits	2.7	10.2	3.5
Cash flow for the year, including short-term deposits	2.7	10.2	-1.5
Cash and cash equivalents, including short-term deposits	50.6	54.1	47.9
Net indebtedness*	-50.6	-54.1	-47.9

Changes in equity (MSEK)	Q1-Q3 2020	Q1-Q3 2019	Year 2019
Opening balance equity	58.6	54.1	54.1
Profit/loss for the period	1.9	8.7	10.9
Translation differences	-0.3	0.2	-0.2
Dividend	0.0	-6.3	-6.3
Closing balance equity	60.2	56.7	58.6

Indicators		Q1-Q3 2020	Q1-Q3 2019	Year 2019
EBITDA margin	%	4.5	11.4	11.3
Operating margin	%	3.1	9.9	9.6
Profit margin	%	2.7	10.2	9.8
Capital employed	MSEK	60.2	56.7	58.6
Return on capital employed	%	5	27	24
Equity	MSEK	60.2	56.7	58.6
Return on equity	%	4	21	19
Net indebtedness*	MSEK	-50.6	-54.1	-27.7
Leverage	times	0	0	0
Solidity	%	60	56	61
Earnings per share	SEK	0.07	0.30	0.38
Equity per share	SEK	2.11	1.98	2.05
Net indebtedness per share*	SEK	-1.77	-1.89	-0.97
Last recorded share price during the period	SEK	4.97	7.28	7.08
Number of shares outstanding	.000 shares	28,552	28,552	28,552
Average number of shares outstanding	.000 shares	28,552	28,552	28,552
Number of shares outstanding after dilution	.000 shares	29,752	29,752	29,752

* Negative value = net cash balance

